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ABSTRACT

A study examined local and state-level collaboration between the Job Training Partnership System (JTPA) and four other programs: the Employment Service, vocational education, welfare, and economic development. Methods included telephone interviews with 46 state managing agencies for JTPA, 205 service delivery area administrators, and 209 Private Industry Council chairpersons. The study showed that everybody believes in collaboration and acknowledges it is necessary, but many policymakers have been unsuccessful in promoting policies that favor it; likewise, administrators admit that collaborating with other programs has been an elusive goal. The study found that some barriers could be removed and some inducements made to encourage collaboration. Recommendations include the following: (1) the state must set clear and coherent employment policy aimed at increasing the number of jobs in the state and preparing its citizens for them; (2) a single state council should be used to develop policy across a broad range of human services; (3) state policy should require joint planning among human resources agencies at the local level; (4) the state Employment Service and the state JTPA should allow credit for job placement to be shared among agencies; and (5) the vocational education system must develop programs that better meet the needs of nontraditional students. (KC)

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JTPA Operations at the Local Level: Coordination or Discord?

Survey on the Relationships Between Service Delivery Areas and Selected Local Service Agencies

EXECUTIVE SUMMARY AND RECOMMENDATIONS

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JTPA OPERATIONS AT THE LOCAL LEVEL: COORDINATION OR DISCORD?

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EXECUTIVE SUMMARY AND RECOMMENDATIONS

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Elaine M. Brady, NAB Clearinghouse Manager, directed all phases of the research and the analysis of the data. Ms. Brady and Kevin Balfe, special consultant on the project, were the principal authors of this report.

The conduct of NAB's 1987 survey and analysis of data were financed with both public and private resources. Public funding was made available through grants from the U.S. Department of Labor, the National Commission for Employment Policy, and the National Center for Research in Vocational Education. The conclusions and recommendations in the report are solely those of the National Alliance of Business and do not necessarily reflect the views of the funding organizations.

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FOREWORD

The National Alliance of Business is once again pleased to present its annual, comprehensive survey findings on the operation and progress of the Job Training Partnership Act (JTPA). In recognition of the key role that JTPA can play in linking the various human resource systems, the Alliance focused this year's survey on issues associated with coordination between the JTPA system and four other areas that are integrally involved in job training or placement activities: the Employment Service, vocational education, welfare, and economic development. The 1987 endeavor emphasizes coordination and collaboration primarily at the local level, but also takes a hard look at state efforts to encourage and facilitate local-level collaboration. As we face several more years of deficit reduction measures, we all must recognize that the future of poor, unemployed citizens depends more than ever upon our ability to work together to ensure cost-effective and efficient assistance.

The Job Training Partnership Act authors devoted considerable language to emphasizing the need for close collaboration and cooperation among all local-level agencies that work to provide services to the unemployed and underemployed. The need for this cooperation is readily apparent: money resources are scarce and each dollar spent must deliver at maximum capacity in order to serve as many people as possible with the highest quality services. Despite the fact that all those who are involved in bettering the future of low-income unemployed people recognize the need to improve communication, eliminate duplication and coordinate activities, there is considerable evidence that many barriers still exist -- at both the state and local levels -- to a comprehensive implementation of this concept. Such barriers include costs associated with improving inter-agency communications, legislative/administrative laws and traditions which slow down cooperation, fear of change and a loss of traditional control, philosophical differences about institutional goals, personality conflicts among staffs, and many others. In spite of the continued existence of these barriers, however, this year's information clearly shows that the needs of the clients are foremost in the minds of people who are in positions to effect change, and continuing efforts are being made to serve these clients and the communities in which they live effectively and efficiently.

Of course, this report would not have been possible without the participation of the many individuals interviewed at the state and local levels; to these individuals, we extend our heartfelt thanks. Special recognition must also be given to the Advisory Committee who advised us on the study. Members of the Advisory Committee include: Martin Jensen, National Job Training Partnership, Inc.; Jerry McNeil and Neil Bomberg, National Association of Counties; Robert Litman, U.S. Department of Labor, Employment Service; Pat Taylor, U.S. Department of Labor, Employment and Training Administration; Jose Figueroa, National Governors' Association; Morgan Lewis, National Center for Research in Vocational Education, Everett Crawford, National Commission for Employment Policy, and Robert Knight, National Association of Private Industry Councils, Inc.

William H. Kolberg
President
National Alliance of Business

TABLE OF CONTENTS

DISCUSSION OF THE ISSUE AND RECOMMENDATIONS FOR IMPROVING COORDINATION AMONG HUMAN RESOURCE AGENCIES 1

DISCUSSION OF THE ISSUE: JTPA'S ROLE IN COORDINATION 3

RECOMMENDATIONS FOR IMPROVING COORDINATION AMONG HUMAN RESOURCE PROGRAMS 5

SURVEY FINDINGS 9

STATE ROLE IN JTPA COORDINATION 11

EMPLOYMENT SERVICE/JTPA COORDINATION 15

VOCATIONAL EDUCATION/JTPA COORDINATION 19

WELFARE/JTPA COORDINATION 23

ECONOMIC DEVELOPMENT/JTPA COORDINATION 27

CLOSING COMMENTS 31

CONCLUDING COMMENTS 33

DISCUSSION OF THE ISSUE
AND
RECOMMENDATIONS FOR IMPROVING COORDINATION AMONG HUMAN RESOURCE PROGRAMS

DISCUSSION OF THE ISSUE: JTPA'S ROLE IN COORDINATION

The inability on the part of many individuals to work productively in today's technological economy has serious social and economic consequences for the nation as a whole. Some of these repercussions are: reduced U.S. productivity and competitiveness in the world economy; higher unemployment; increased welfare dependency; increased crime, drug dependency and other social disorders; a larger gap between rich and poor, and between minorities and non-minorities; higher taxes to fund income maintenance and other social programs, prisons, police, etc.; and less consumer demand for goods and services from a large segment of the public with limited earnings potential and, therefore, less overall economic growth and prosperity. One national organization estimates the costs associated with providing for school dropouts and their families at more than $75 billion annually in lost tax revenue, crime, unemployment compensation and welfare dependency. The real costs in the lost U.S. competitiveness and social hardship, however, are incalculable.

Public leaders have responded to this dilemma with numerous initiatives including education reform, welfare reform, literacy campaigns and industry training to support economic development. Each of these addresses a particular aspect of what is essentially the same issue -- preparing and retraining the labor force to meet the needs of a competitive world economy. The Job Training Partnership Act (JTPA) is among the most important public policy initiatives in this field because its aims exclusively at solving the most difficult of our labor force problems -- placing hard-to-employ individuals in unsubsidized jobs. Put another way, JTPA's goal is to bridge the gap between employers' needs and the skill levels of "at-risk" segments of the labor force such as welfare recipients, school dropouts, dislocated workers and others with labor market barriers.

Nevertheless, JTPA cannot address the full breadth of structural unemployment problems alone: it has neither the resources nor the range of capabilities required to adequately address the issue of job creation, or to deliver skills training independent of the vocational education system, or to assume sole responsibility for reducing welfare dependency. JTPA will be most effective when it brings other programs into the "partnership" by planning joint labor market strategies, synchronizing client outreach and referral, utilizing others' service delivery capacity, and providing training services that complement those of other programs. In this way, JTPA can help ensure that employers will have access to a skilled hiring pool in the years to come.

The creators of JTPA recognized that, to be effective, the program can not operate in a vacuum but must work in concert with other human resource development efforts. In fact, more than any other legislation in this field, JTPA was conceived as a coordinative tool. Many provisions in the Act were explicitly included to improve coordination. In recognition of the importance of this mandate and of the institutional maturing that has occurred since the passage of the Job Training Partnership Act, NAB focused this year's survey on the broader issues associated with coordination and collaboration between job training and other publicly funded programs for human resource development and economic growth. In particular, local and state-level collaboration was examined between the JTPA system and four other programs: the Employment Service, vocational education, welfare, and economic development.

To accomplish this purpose, NAB researchers conducted methodical telephone interviews with state managing agencies for JTPA, service delivery area administrators, and PIC chairpersons. Separate questionnaires were developed for each group of respondents. In total, NAB staff interviewed the directors of 46 state managing agencies for JTPA, 209 PIC chairpersons and 205 SDA administrators. PIC chairs and SDA administrators were from the same local program. To obtain a representative sample, local JTPA programs were selected from each state. Care was taken to include small as well as large SDAs, urban and rural areas, and SDAs in different regions of each state; and reaching over 200 SDAs and PIC chairs yielded a very representative sample (one-third) of the country's total (620) service delivery areas and Private Industry Councils.

What is clear from this year's findings is that everybody believes in collaboration and acknowledges it is necessary, but as survey data show, many policymakers have been unsuccessful in promoting policies that favor it; likewise, administrators are all too often the first to admit that collaborating with other programs has been an elusive goal for them. Also evident is that while coordination is affected by a wide variety of institutional and personal factors and while it is not possible to legislate the trust that is the heart of all successful coordination, there are some barriers that can be removed by state and local policy or operating procedures. And there are some inducements that can be provided to encourage more efficient delivery of human resources services.*

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*A copy of the full report entitled, JTPA OPERATIONS AT THE LOCAL LEVEL: COORDINATION OR DISCORD? is available from the NAB Clearinghouse, (202) 289-2910.

RECOMMENDATIONS FOR IMPROVING COORDINATION AMONG HUMAN RESOURCE PROGRAMS

The Alliance advocates that states consider the following recommendations and take action to help alleviate the wasteful duplication evident in many of the local programs and help ensure delivery of the comprehensive services in a cost-effective and efficient manner. Many of the recommendations are taken directly from interviewees' responses to key questions posed in the survey and relate to the fundamentals of system design or process rather than to specific local circumstances like politics or staff relationships between agencies. Hence, their application is generally to state or federal policy and administration rather than local operations. As we face several more years of deficit reduction measure, we all must recognize that the future of the American workforce depends upon ability to work together to train and educate all Americans to compete in the world economy.

GENERAL RECOMMENDATIONS

The states must set clear and coherent employment policy aimed at increasing the number of jobs in the state; preparing the state's citizens for those jobs; and matching people and jobs. Because a multitude of federal, state, and local human resource efforts are either directly operated or strongly influenced by the states, governors and state legislatures must set the tone and establish the framework for cooperation among the programs and institutions.

State employment policy must make clear that employment is a major goal of such widely diverse activities as economic development, education, welfare, job training and job placement. The policy must be well enough developed and consistently supported to ensure that it can be translated into operational mandates for the many different federal, state, and local human resource efforts which come together at the state level.

A single state council should be used to develop policy across the broad range of human resource issues. The council should be used to recommend specific policies to the governor and state legislature as well as ensure that various human resource programs are working together to achieve the overall state employment policy. The State Job Training Coordinating Council, whose membership includes representatives of private employers, major human resource agencies, labor and community based organizations in each state, should be considered for this role.

Any new state initiatives should be carefully reviewed by the state council to avoid duplication of efforts and to ensure that related programs are utilized to the maximum

extent possible. For instance, the recent proliferation of state welfare to work initiatives and resulting duplication of efforts highlights the need for such careful policy review.

States should establish across-the-board incentives for collaboration among human resource agencies and remove current barriers to working together. Specifically, state laws and regulations which hinder such activities as contracting among agencies or the granting of mutual credit for service to the same client, or those policies which establish inconsistent planning cycles should be eliminated. Similarly, policies which provide financial and other incentives for collaboration should be established.

State policy should require joint planning among human resources agencies at the local level. Because agencies often have overlapping responsibilities and poorly defined roles, turf issues are a major impediment to the coordination among human resource agencies necessary to achieve effective employment policy. Joint planning requires defining roles, setting mutual goals and establishing measurable outcomes for all parties involved. This is best done at the local level where the services are actually provided and the planning can respond to local organizational and economic conditions.

Where local coordination among programs is necessary to achieve the overall state employment goals, State agencies must develop consistent and concurrent requirements for local programs. Coordination at the local level is greatly enhanced if the state agencies are in agreement among themselves.

SPECIFIC RECOMMENDATIONS

States should require that a single plan of services be developed by the Employment Service and the service delivery area under the guidance of the local partnership of the private industry council and the local elected officials. States should review such plans primarily to ensure that the local agencies are working together effectively. Because of widely varying labor market conditions and organizational circumstances within states, local agencies should be given a great deal of flexibility in determining the specific roles and responsibilities of each agency.

The state Employment Service agency and the state JTPA administrative entity should allow credit for job placement to be shared among agencies when the two programs at the local level serve the same client successfully. In many states, one agency is effectively penalized for referring a client to the other b[illegible] agency's job placement credit is lost. Mutual rewards for accomplishing mutual goals are n[illegible].

Governors and state agencies must remove the barriers to and promote the utilization of performance based contracts by educational agencies and JTPA. As it currently stands, many service delivery areas have difficulty working with education agencies because of their inability or reluctance to enter into performance contracts.

States must require that private industry councils be involved in determining how JTPA educational coordination funds (8%) are used at the local level. In many states, the 8% funds have been used to develop programs which neither serve JTPA participants nor involve the local job training system to any significant extent.

The vocational education system must develop programs that better meet the needs of the non-traditional student. Many local vocational programs do not currently provide such options as "condensed training," open entry/open exit programs, or customized training which would be more responsive to many JTPA participants.

Governors, legislators and welfare administrators at all levels need to affirm that helping welfare clients gain productive employment is a top priority of the entire welfare system. Although short-term income maintenance is often necessary for individuals, the long-term goal should be self-sufficiency through stable employment.

In order to increase the employment of welfare recipients, federal and state policymakers must address current policies which restrict welfare recipients' participation in job training programs and receipt of medical and other benefits upon job placement. Current policies and practices often restrict welfare payments to clients who enroll in job training and eliminate medical and other benefits for welfare recipients who get jobs, even when those jobs do not include such benefits.

Job training officials need to aggressively promote the advantages of working with job training programs to agencies and business groups involved in economic development efforts. The quality of the labor force is a major concern in the decision of where companies locate or expand operations. Job training officials addressed this concern in working with economic development organizations in the last few years have shown increasing success creating jobs and meeting the needs of the community's unemployed.

SURVEY FINDINGS

STATE ROLE IN JTPA COORDINATION

Congress clearly intended state government to play a key role in coordinating employment and training activities, as exemplified by Section 121 of JTPA entitled "Governor's Coordination and Special Services Plan." Other key provisions of JTPA make the state's role in coordinating human resource development activities more explicit. These include creating the State Job Training Coordinating Councils (SJTCCs), strengthening the Governor's role in administering the Employment Service, and providing the state with special JTPA funds (8% set-aside funds) to encourage JTPA coordination with educational institutions.

Because the JTPA legislation envisions a strategic role for the state in encouraging coordination of JTPA with other programs, the NAB survey asked state and local level interviewees about their perceptions of the state role and its impact at the local level. Overall, survey findings indicate that in about two-thirds of the states, efforts to encourage coordination are seen as having limited significance at the local level. Specifically, when asked if any kind of state initiative has encouraged coordination at the local level, a third of SDA administrators indicate that there are none. Another 30 percent cite activities such as state-sponsored conferences, informational workshops and the formation of state-wide JTPA associations; such activities are doubtless helpful but probably do not reflect strong state leadership in promoting coordination. The remainder, for the most part, report that the state is helpful in fostering coordination with one or more specific agencies. In most of these cases, however, the initiative undertaken by the state was not seen as having a major effect on the SDA's ability to coordinate with the local agencies.

Interviewees also were asked if the Governor's Coordination and Special Service Plan has an effect on the PIC/SDA planning process or operation. The majority of PIC chairs and SDA administrators believe that the state coordinating plan requirements have a relatively limited impact on their SDA. In fact a third of the PIC chairs had no knowledge whatsoever of the state coordination plan, most commenting that they had never heard of it. Another third had heard of the plan, but knew no specifics about coordination requirements. Similarly, many SDA administrators were aware of the plan's existence but had to pull it off the shelf during the NAB interview to provide any specific information about its contents.

Notably, the responses of state level JTPA administrators often echo those of local officials. About 20 percent report that meetings and informational workshops are the principal state initiatives to encourage local coordination. An additional 25 percent report that the state requires "paper

agreements" and sign-offs certifying that local coordination has taken place, but most of the state respondents indicate that they feel the paper agreements are a pro forma exercise without much genuine substance. Encouragingly, the remainder of state administrators -- over half -- generally are able to cite one or two actions the state has taken to encourage coordination, such as the development of model inter-agency agreements for local use, performance incentive awards for coordination, rapid response teams to cope with plant closures, or industrial training programs for new and expanding industries. Yet, the overall picture that emerges across the states is one in which the state role in encouraging local coordination has been quite restricted.

Despite the fact that many state and local JTPA officials do not consider the state's role in fostering local coordination particularly important to SDA programs, some states did, in fact, aggressively mandate coordination by merging the JTPA and ES planning process or spearheading new initiatives in other areas. Survey results show that where states have taken major steps to overhaul the planning and coordination process, local program linkage increases and change does occur even if, in some cases, practitioners have mixed feelings about the results. Local JTPA/Employment Service coordination, for instance, appears to be much more coordinated in those states which have merged the JTPA/ES planning process; 80 percent of respondents in the four states where the planning process had been merged for at least one year report substantial coordination in contrast to approximately 40 percent in the remaining states.

Interestingly, federal coordination requirements may carry no more weight than do state requirements; provisions in JTPA and the Carl Perkins Vocational Education Act mandating coordination are only vaguely known by a substantial portion of respondents and have been ignored by many others. Yet again, notable exceptions do occur in states that have taken federal mandates seriously and vigorously pursued a coordination agenda by reforming the planning and service delivery process. The evidence, therefore, suggests that states can make a key difference in program effectiveness by strongly encouraging and even mandating coordination. Stating vague coordination objectives and requiring pro forma written agreements and sign-offs on other agencies' plans, however, seems to have minimal impact on actual planning and program operations in most localities.

STATE-LEVEL COORDINATION: ISSUES AND PROBLEMS

When SDA administrators were asked if states had done anything to hinder program coordination (and, conversely, if states could do anything to encourage coordination), over 30 percent indicated that states should take a more active role in requiring other programs to interact with JTPA. About

half of these respondents want more than coordination incentives or requirements -- they feel that local JTPA agencies should be given direct control of programs that now are handled by other agencies. Some of these respondents feel that all employment and training activities should be administered through the SDA/PIC structure while others express the opinion that all JTPA funds, including Title III dislocated worker grants and 8% education coordination funds, should be controlled by the SDA/PIC structure. The call to give JTPA control over other programs seems, in part, to arise from frustrations that local JTPA programs are mandated to coordinate with other entities over which an SDA or PIC has little or no influence.

While local JTPA officials express the need for stronger and clearer state guidance on coordination, they also feel that local representatives should be given more of a say in state-level decision-making. About 28 percent of SDA administrators indicated that a lack of regard for local input and unnecessary state interference in local affairs are barriers to coordination. The majority of these respondents specifically note the state's handling of state-administered JTPA programs. A third of these (19) single out state handling of the JTPA 8% education coordination grants as a significant problem, complaining that SDAs have little input in how these funds are used and that the grants are poorly administered with too many restrictions placed on them. Fifteen respondents express very similar views with respect to state administration of the Title III Dislocated Worker program with complaints, again, of little SDA input, unnecessary restrictions on the use of funds and inappropriate use of grants.

Although noted less frequently, states' lack of regard for local input is criticized in areas other than the funding and operation of state-administered JTPA programs. Some respondents, for instance, complain that the state has ignored local JTPA input on important issues such as changing SDA geographic boundaries or PIC composition, or has simply implemented important programs, such as major economic development projects, without coordinating with the SDA.

Another barrier to local coordination perceived by JTPA administrators is a lack of coordination among state level human resource agencies. As one respondent states: "If the state does not have its act together, how can they expect us to pull things together at the local level." About 16 percent of SDA administrators indicate that insufficient linkage among state agencies and confusing or conflicting state policies were significant barriers to local program coordination. Some of these respondents say that the state has not sufficiently clarified the roles and responsibilities of various agencies to avoid duplication of effort and gaps in service delivery.

State JTPA administrators agree that states could improve local coordination by pulling things together at the state level. Nearly 20 percent of state administrators expressed the opinion that governors should exert more leadership in defining agency roles and overcoming state agency turf conflicts and parochial interests. About 15 percent mention that state-level inter-agency task forces or "cabinet clusters" have been or are being convened to address human resources coordination issues.

EMPLOYMENT SERVICE/JTPA COORDINATION

For several decades following its creation in 1933, the Employment Service was "the only game in town"; no other public agency offered employment or job placement services. Since that time, the situation has changed dramatically. Training and job placement programs now include JTPA, customized training programs for new industries, dislocated worker programs, vocational education programs, and even programs operated by the welfare system. This "crowding" of the employment assistance arena has led to growing competition among agencies for money, clients, and job leads, with the Employment Service occasionally losing ground to the newcomers. At the same time, the proliferation of employment initiatives calls for increased attention to coordination.

Nowhere is the "crowding" trend more evident than in the relationship between the ES and JTPA programs. Both are in the job placement business; both serve many "at-risk" and economically disadvantaged individuals -- JTPA by design, the Employment Service because of how the program has evolved over decades; and both are federally funded, yet administered and operated principally at the state and local levels. Thus in many ways, JTPA and ES operate along parallel tracks -- a circumstance that can lead to a close relationship between the two, yet a competitive relationship as well. The common objectives of the two systems were not overlooked when JTPA was enacted: the legislation includes amendments to Wagner-Peyser (the authorizing legislation for the Employment Service) mandating a considerable level of coordination between the two programs.

Without a doubt, JTPA has more in common with ES than with any other program. JTPA and ES are probably the only programs that can be thoroughly "merged" statewide and advertised to the public as one, a situation which already has taken place in some locations.

KEY FINDINGS

- *Positive ES/JTPA Relationship:* Sixty percent of SDA administrators and 77 percent of PIC chairs feel that the overall relationship with ES is good or excellent. These are high numbers and second only to vocational education in rank.

- *High Level of Coordination Activity between ES and JTPA:* The amount of coordination between ES and JTPA is substantial -- 97 percent of SDAs have at least one formal agreement with ES, with an average of over two agreements per SDA.

- *More Dissatisfaction with ES/JTPA Relationship than with Other Programs, Despite Overall Strength of Relationship:* ES earned the most poor ratings of any program area (19 percent for SDA administrators and 14 percent for PIC chairs).

- *The Most Significant Reported Coordination Obstacle Is "Turf" Issues:* "Turf" issues are the most commonly noted impediment to JTPA/ES coordination, with about 12 percent of all respondents reporting some problems in this area.

- *The Most Frequent Area of Coordination Is Initial Client Processing:* Initial client processing (e.g., client outreach, intake, referral) is the most common coordination activity, with about half the SDAs working with ES in this area.

- *Minimal Local JTPA Involvement in Review of ES Plan:* Less than half of PIC chairs and SDA administrators (39 and 47 percent, respectively) indicate that the JTPA review of the ES plan is comprehensive and substantial.

- *Six States Require a Joint ES/JTPA Plan:* Eighty percent of SDA administrators in these six states report a genuinely coordinated planning process between ES and JTPA.

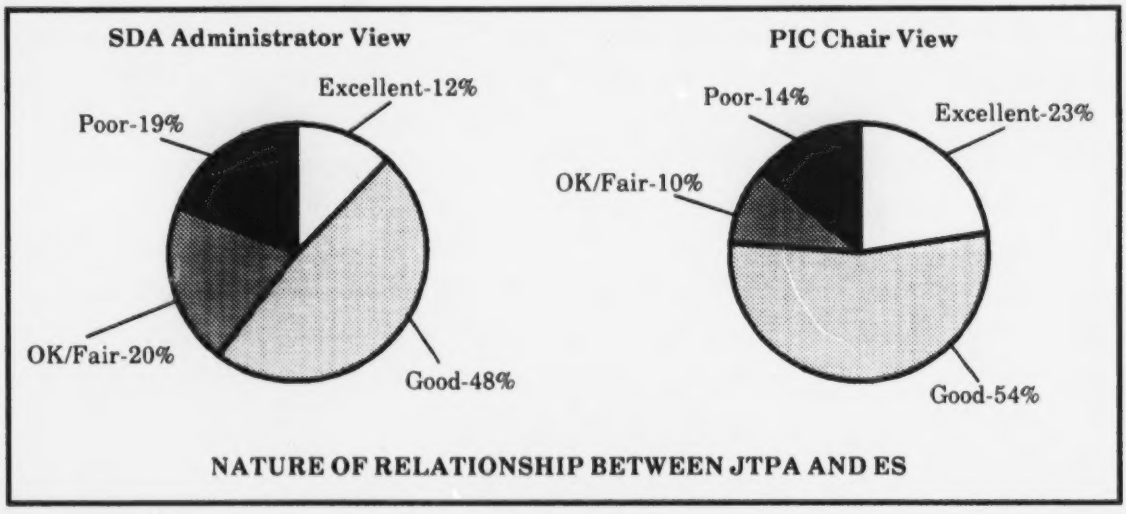
GENERAL PERCEPTIONS AND TRENDS

Generally a Positive, Long-term Relationship

As noted earlier, JTPA's and the Employment Service's mandate to place unemployed individuals in unsubsidized employment can lead either to a close working relationship between the two programs or a competitive, adversarial relationship. Survey results suggest that both patterns occur: the two programs sometimes coordinate well -- even to the point of integrating services; while in other cases, they resist working together, jealously guarding job leads and clients. Most SDAs fall into the first category with 60 percent of the SDA administrators and 77 percent of the PIC chairs reporting that the overall relationship with ES is good or excellent. These are relatively high numbers and second only to vocational education in rank.

A significant number of interviewees, however, indicate that the relationship between the two organizations reflects some degree of dissatisfaction -- in fact, ES earned the highest number of poor ratings of any program area (19 percent for SDA administrators and 14 percent for PIC chairs). The most common problem in achieving coordination between JTPA and ES is "turf conflict." Survey

comments regarding ES/JTPA turf conflicts include: "We have had a long history of distrust"; " there is fear that ES will take over JTPA and vice versa"; "a history of jealousy between our two agencies has existed since JTPA began"; and, " ES wishes to control JTPA funding."



NATURE OF RELATIONSHIP BETWEEN JTPA AND ES

The high percentage of ES/JTPA relationships reported as unsatisfactory may reflect the two programs' long history of working together, thus providing many opportunities for one agency to be unhappy with the other. In fact, ES is the only program area where not a single respondent indicated that the relationship is minimal or non-existent; there always was a significant relationship of some kind, even if there were problems. Almost all SDAs have at least one formal agreement to work with the ES in some capacity. By contrast, 20 to 30 percent of JTPA respondents indicate the lack of any significant relationship with the economic development or the welfare community.

Stable Situation

Survey respondents also were asked if the relationship between the two agencies was changing. About 35 percent of JTPA respondents indicated that the situation is improving; about seven percent indicated that the relationship was declining; and the remainder reported little or no change. Overall, these statistics represent a smaller degree of improvement in ES/JTPA relations than in JTPA's relationship with any other program. Again, this may be attributable to the long and stable history of inter-agency coordination. A number of respondents indicated that the relationship had been fine for a long time or that "things couldn't get any better."

High Level of Coordination

Survey results indicate that the amount of coordination between ES and JTPA is very substantial -- 97 percent of SDAs had at least one formal agreement with ES. Moreover, slightly more than half have at least one agreement involving the exchange of funds. A total of 510 agreements involving linkages of some kind between JTPA and ES were reported in 197 out of the 209 SDAs, averaging over two per SDA. These figures are further evidence of the strong and long-standing relationship between the Employment Service and JTPA. Of all program areas surveyed, only vocational education had a greater number of agreements with JTPA (535). Unlike vocational education, where nearly 90 percent of the agreements are financial, the majority of ES/JTPA agreements do not involve the exchange of money; about 60 percent of the reported ES/JTPA agreements are non-financial. The preponderance of non-financial agreements can be attributed, in part, to the extensive amount of coordination in the area of client outreach, intake and referral, activities which generally do not require financial contracts between agencies.

VOCATIONAL EDUCATION/JTPA COORDINATION

The hallmark of vocational education at all levels -- secondary, post-secondary and adult -- is its concentration on training for specific occupations. This has led to a close relationship between vocational education and JTPA; in fact, the vocational education system delivers a substantial proportion of all JTPA-funded training. This strong relationship dates back to the pre-JTPA days when CETA programs relied heavily on vocational education for service delivery. The Carl D. Perkins Vocational Education Act of 1984, which reauthorized federal support for vocational education, was designed to stimulate an even closer relationship between the two systems. The Perkins Act include provisions requiring coordination with JTPA at both the state and local level, including SDA/PIC review of local vocational education applications for state and federal funds.

KEY FINDINGS

- *The JTPA/Vocational Education Relationship Was Perceived More Positively Than Any Other Program Area:* Seventy-five to 80 percent of those surveyed characterize the relationship as good or excellent. This is the highest overall percentage of any program by a considerable margin.

- *The Level of Reported Coordination Is Higher Than with Any Other Program:* Vocational education has the highest number of reported formal agreements with SDAs and more than double the number of financial agreements in any other program. Almost all (95%) SDAs report a financial agreement.

- *Skills Training Is the Most Common Area for Coordination Agreements:* About two-thirds of the SDAs have at least one contract with a vocational education institution to provide occupational skills training of some type. The 164 reported agreements for skills training is the highest number reported for any single activity in any program area.

- *A Significant Level of Remedial and Basic Skills Training Is Also Reported* A total of 90 formal agreements between vocational education and JTPA are reported in the remedial education/basic skill training area.

- *The Most Commonly Reported: Obstacle to Coordination Is the Perceived Lack of a Job Placement Orientation on the Part of Voctional Education:* Over 10 percent of respondents indicate problems

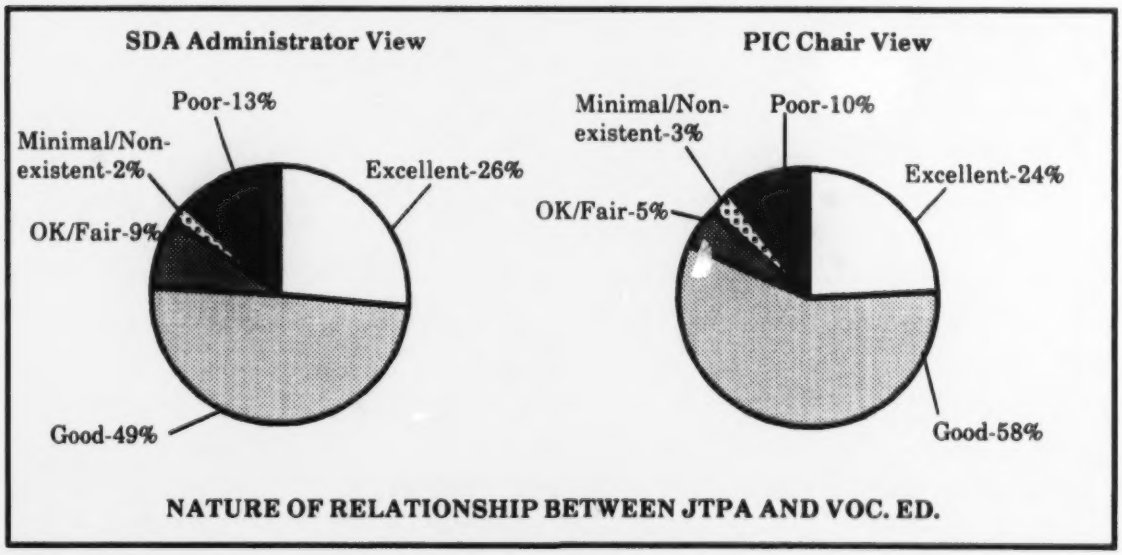
with poor job placement performance, often complaining that vocational education is unwilling to enter performance-based contracts.

- *Coordination Requirements in the Perkins Act Have Had Limited Impact:* With respect to state-level coordination provisions, 58 percent of SDA administrators report no impact; 17 percent report a minimal impact. About half of SDA administrators report that they do not review local vocational education funding applications to the state as required by the Perkins Act.

GENERAL PERCEPTIONS AND TRENDS

Very Positive and Long-Term Relationship

Survey results indicate that the relationship between vocational education and JTPA is long-standing, involves extensive coordination and is viewed very positively by most JTPA officials. Of all programs studied, vocational education received the highest percentage of survey responses indicating that the relationship with JTPA was good or excellent: 74% of SDA administrators and 82% of PIC chairs. In fact, the relationship between vocational education and JTPA is considered to be excellent by one out of four respondents. Representative survey comments reflecting the close ties between the two systems are: "We collaborate more with vocational education than with any of the other programs"; "the strongest of all [programs] at the state and local levels"; "we have a good working relationship with several financial agreements"; and "we've had a super relationship from the start -- we've consistently contracted with the community college and high school."



NATURE OF RELATIONSHIP BETWEEN JTPA AND VOC. ED.

In spite of the excellent relationship that has existed in many areas, at least ten percent of both PIC chairs and SDA administrators depict the relationship as being unsatisfactory. Specifically, 13 percent of SDA administrators and ten percent of the PIC chairs felt that the relationship was poor or rocky. A significant number of criticisms relate to poor job placement performance and the unwillingness of vocational education to accept performance-based contracts. Also common are complaints that the vocational education system is inflexible with regard to scheduling training (e.g. rigid semester schedules), and often resists developing shorter term training programs which would be better suited to the needs of JTPA clients.

Stable Situation

Survey respondents also were asked if the relationship between the two agencies was changing. Two-fifths of the SDA administrators and a third of the PIC chairs interviewed indicate that the situation is improving; about three percent of all interviewees indicate that the relationship is declining; the remainder report little or no change. Overall, these figures depict a relatively stable situation, and one showing less dramatic improvement than has been the case with some other program areas. This stability may be attributed to the long-standing and exemplary relationship that has existed between vocational education and JTPA in many localities.

High Level of Coordination

Survey results show that the amount of coordination between vocational education and JTPA is extensive. In fact, vocational education had more reported working agreements with JTPA (535) than did any other program. Moreover, the number of financial agreements between JTPA and vocational education is more than double that of any other program -- 95 percent of all SDA administrators report at least one financial agreement and there is an average of over two per SDA.

It is clear from the kinds of agreements reported that the close association between the two programs exists for a simple reason: vocational education has much of the capacity to deliver the type of training that JTPA clients need. Nearly two-thirds of the financial agreements between JTPA and vocational education, for example, relate specifically to training programs, and many of the other agreements include training as a component.

Survey data clearly show that the JTPA relationship with vocational education embraces all levels of the vocational education system -- secondary, post-secondary and adult. Slightly over half the service

WELFARE COORDINATION

Prolonged dependency on welfare is a long standing problem that threatens to increase dramatically if the numbers of illiterate youth, teen-age parents and "at-risk" jobless continue to rise. Though a major issue in election campaigns for the past decade, welfare reform has been slow to occur, prompting continued debate and experimentation to find long-sought answers. The problems associated with welfare are deep-rooted and complex. An estimated $132 billion a year in federal and state funds support a variety of income maintenance programs for millions of families, including Aid to Families with Dependent Children, general assistance, food stamps, subsidized housing and Medicaid . Sixteen billion dollars alone pay for Aid to Families with Dependent Children, one of the nation's largest public assistance programs, which supports nearly four million families.

While awaiting more meaningful reform at the federal level, the trend of recent years has been to try an approach to the problem that allows states increased flexibility to experiment with a variety of welfare-to-work initiatives and related reforms that promise improvement. Among the more publicized of these programs are Massachusetts' "ET" program which has been operating for several years, and California's "GAIN" program which is now in the pilot stage of development. Most other states, however, have at least experimented with "workfare" demonstration projects for AFDC clients, food stamp recipients and other people receiving public assistance.

These recent welfare-to-work initiatives should place JTPA in a strategic role as it is the principal training and placement agent for disadvantaged individuals. JTPA is not only aimed at serving poor, unemployed persons, but more significantly, it has a Congressional mandate to serve welfare clients. Furthermore, JTPA rewards SDAs with performance incentives for assisting welfare recipients.

KEY FINDINGS

- *Overall, Welfare Is the Most Problematic Area of Coordination:* Welfare registered the lowest good or excellent relationship percentage of the four program areas -- 50 percent for SDA administrators, 51 percent for PIC chairs, as compared with figures generally in the 60 to 80 percent range for the other programs.

- *There Is Less Coordination with Welfare Than with Any Other Program:* Welfare also scored the highest minimal or no relationship percentage figures of any program -- 25 percent of SDA

administrators and 29 percent of PIC chairs. The reported number of formal agreements between JTPA and welfare is fewer than in any other program area.

- *The Relationship between JTPA and Welfare Is Improving Rapidly*: Half the SDA administrators and 43 percent of PIC chairs did report that the relationship is improving. This makes welfare second only to economic development in the percentage of respondents reporting an improving relationship.

- *Loss or Reduction of Welfare Benefits, upon Entering Training or Job Placement, are Cited As the Most Serious Obstacles to Coordination:* Forty percent of SDA administrators interviewed cite "laws and regulations that create client financial disincentives" as a problem. No other obstacle is pinpointed as frequently or consistently with respect to any of the other programs examined.

- *Initial Client Processing Was the Most Commonly Reported Coordination Item between Welfare and JTPA:* Of all reported formal agreements between the two programs, close to half are in the areas of client outreach, referral, certification and related information sharing.

- *States Have Been Especially Active in the Area of Increasing Linkages between Welfare and Employment and Training Programs*: Over a third of the state JTPA administrators surveyed report special state welfare-to-work initiatives targeted at specific communities or special populations such as single heads of households, teenage parents, and Work Incentive (WIN) clients.

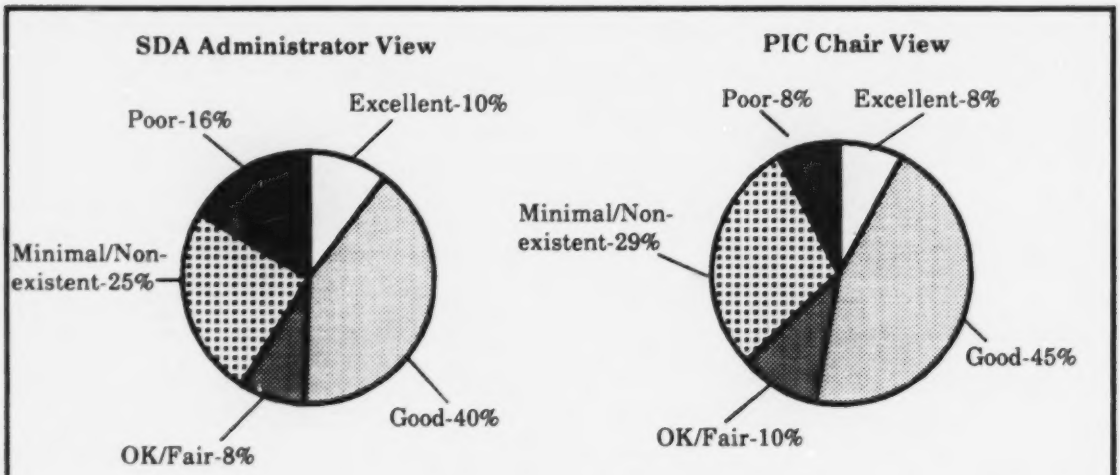
GENERAL PERCEPTIONS AND TRENDS

Forty Percent Perceive Relationship as Minimal, Non-existent or Poor

Survey results show clearly that, overall, welfare is the most problematic and difficult area for JTPA coordination. Specifically, only half of the SDA administrators and 53 percent of PIC chairs think that the relationship between the two programs is good or excellent. By contrast, the three other programs included in the survey all received good or excellent evaluations by 60 to 80 percent of survey respondents.

Not only did the JTPA/welfare relationship receive the fewest favorable responses, but it also received the highest percentage of interviewees indicating that the two programs worked together little or not at all. Specifically, one-quarter of the SDA administrators and 29 percent of the PIC

chairs report that the relationship is either non-existent or minimal. And when asked to describe the nature of the relationship between the two agencies, sixteen percent of the SDA administrators and eight percent of the PIC chairs indicated that the relationship is poor. Thus, about two-fifths of both groups depict the overall relationship as minimal, non-existent or poor. Survey comments illustrating the limited and fairly rocky relationship between the two programs include: "We really don't have much to do with each other"; "the situation is tense - welfare doesn't want to work with JTPA"; "things are only fair between us -- there isn't a history of working together"; "we only work with welfare on a limited basis"; and "we have no real relationship -- all activity is routed through the Employment Service."



NATURE OF RELATIONSHIP BETWEEN JTPA AND WELFARE

This limited amount of interaction between JTPA and welfare is further evidenced by the relatively small number of formal agreements between the two programs. In fact, the number of financial agreements between welfare and JTPA is less than half that reported for any other program. Twenty percent of the SDAs have no formal agreement to work with the welfare system at all.

Representation of other organizations on the private industry council is another indicator of program interaction. Of the four programs analyzed, welfare representatives are found least on the PIC. Only 51 percent of PICs surveyed have a member representing the welfare community as compared with over 95 percent for ES and vocational education, and 67 percent for economic development. (It should be noted that representation by the Employment Service and vocational education is mandated in the JTPA legislation.)

JTPA/welfare coordination faces many obstacles, the most important by far being the loss or reduction of welfare benefits, including medical coverage, when entering training or taking a job. Nearly 40 percent of SDA administrators say that laws and regulations create strong financial disincentives for client participation in JTPA and thus present serious and sometimes insurmountable obstacles to serving welfare clients and subsequent job placement Many SDA administrators state that they cannot work effectively with welfare unless the basic structure of public assistance benefits is changed. Indeed, some say they have given up trying to work with welfare; they often felt it was not in the clients' best interests to lose their benefits. This caution is particularly evident in high unemployment areas where entry level positions are scarce, low paying and offer little opportunities for advancement.

Improving Situation

The often limited relationship between welfare and JTPA appears to be changing. Fifty percent of SDA administrators and 43 percent of PIC chairs say the relationship is either in the process of being established or is improving. This makes welfare second only to economic development in the percentage of respondents reporting a movement to change the situation to a more positive one. Furthermore, improving JTPA/welfare relationships are not restricted to those that were reported to be already good; over half of the "improving" cases (about 55 percent) occur in situations where the present relationship is characterized as minimal, fair or poor. Many of the SDA administrators, in fact, state that they have recently held joint planning sessions with welfare to address the problem of insufficient inter-agency coordination.

While much of the increased activity in the welfare area may be the result of JTPA's mandate to serve a high proportion of public assistance recipients, some of the rapid improvement in the welfare/JTPA relationship is attributed to the unusually vigorous state efforts aimed at helping welfare recipients make the transition to gainful employment. These state initiatives sometimes require inter-agency cooperation and joint planning with JTPA. The dozens of state welfare reforms and pilot projects suggest a growing political consensus on the need for welfare reform even if disagreements persist on how to go about improving the system.

ECONOMIC DEVELOPMENT/JTPA COORDINATION

Economic development is a dynamic, rapidly-advancing field. A decade ago, economic development programs hardly existed in many communities, and where they were in effect, were often limited to "smokestack chasing" using tax incentives. Now, states and localities are expanding development initiatives at a fervent pace, frequently to the point where members of the economic development community themselves are confused over who is doing what. In one state, for example, it became clear that increased information sharing and coordination of economic development activities was necessary after it was learned that few practitioners had a grasp of the over two dozen economic development programs extant.

Typical economic development incentives and programs that might be available in a state or locality include industrial mortgage financing, venture capital financing, special programs for minority businesses, Enterprise Zone tax incentives, customized training programs for new industries, infrastructure grants for industry, and business "incubator" programs. Not only is the number of programs increasing, but the cluster of economic development incentives is changing in favor of the human capital side. In the quest for long-term competitiveness, employers are finding that a qualified, dedicated labor force is far more important than a few tax breaks. Public and private investments in education and training are crucial to employers. In turn, the cluster of human resource institutions -- schools, training and employment services, vocational education, and public welfare agencies -- is turning more squarely toward workforce needs and economic development goals. It is against this background that coordination between the Job Training Partnership Act and economic development becomes important.

KEY FINDINGS

- *Many JTPA Programs Have Relatively Little Experience with Economic Development:* Thirty-five percent of PIC chairs and 19 percent of SDA administrators report a "minimal" relationship with economic development. About a third of these, however, report that coordination between the two programs is increasing.

- *The Economic Development/JTPA Relationship Is Rapidly Improving:* Almost two-thirds of the SDA administrators and PIC chairs (65% and 63%, respectively) report an improving trend in JTPA/economic development relationships -- a significantly greater degree of improvement than reported for any other program area.

- *Marketing and Employer Outreach Is the Most Common Area of Coordination:* Almost 90 formal agreements were reported in this area; over half involved the expenditure of JTPA funds.

- *Training Programs for New and Expanding Industries Is Anothr Important Coordinatio Item at Both the State and Local Levels*: A third of the states and about 20 percent of the SDAs surveyed report this as a significant coordination item.

- *Disinterest on the Part of Economic Development Officials Was the Most Frequently Cited Reason for Lack of Coordination:* Over 10 percent of JTPA respondents report that economic development officials are not interested in working with JTPA.

GENERAL PERCEPTIONS AND TRENDS

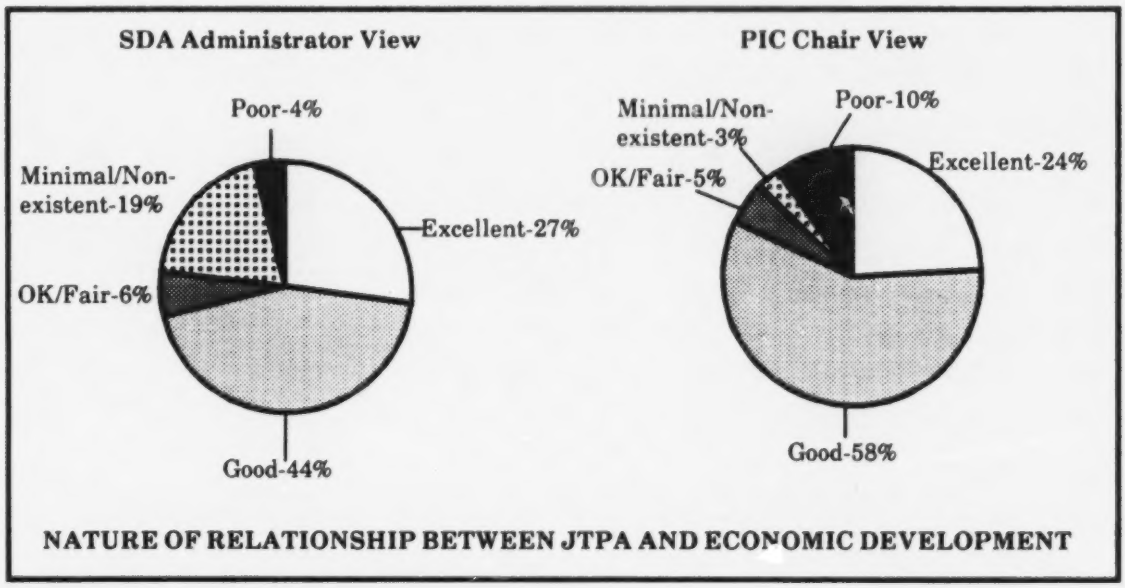
Many SDAs Have Little Experience With Economic Development

Linking with economic development is a relatively new endeavor for many SDAs. More than one JTPA interviewee referred to economic development as the "new kid on the block" for JTPA coordination. Although training/economic development coordination has a heritage that goes back to CETA's Employment Generating Services in the 1970s and the 1960's community economic development initiatives, it remains one of the least explored but fastest-growing areas for JTPA coordination.1 1(Footnote: Employment Generating Services funds paid for many economic development activities aimed at increasing job opportunities for economically disadvantaged individuals.)

Survey data reflect the SDAs' relative lack of experience in working with economic development. About a fifth of the SDA administrators and over a third of the PIC chairs surveyed indicate that the relationship between the two programs is minimal or non-existent. In addition, 30 SDAs have no formal agreements with any economic development entity, a higher number with no agreement than found in any other program area.

Despite the fact that many SDAs have a minimal history of working with economic development, the majority of interviewees queried about the overall nature of the JTPA/economic development relationship rate it highly. SDA administrators, in particular, believe that the two agencies have a very positive relationship, with 71 percent of the responses signifying that it was either good or excellent.

A significantly smaller percentage of PIC chairs (54%) felt the relationship merited a good or excellent rating. The statistics indicate that SDA administrators have a slightly more favorable impression of JTPA/economic development coordination than do PIC chairs. This is not a general pattern in the survey In fact, PIC chairs rated vocational education and employment service coordination more highly than their SDA counterparts did. One possibility suggested by the figures is that PIC chairs, as business people, are assessing the amount of coordination or its job-creating results, whereas SDA administrators are reporting more on the general quality or tone of the relationship. Both groups agree in the percentage of cases where coordination is fair or poor -- 10 percent. Only four percent of SDA administrators and eight percent of PIC chairs indicate an unsatisfactory relationship -- the lowest percentages of poor ratings of any of the program areas examined.



NATURE OF RELATIONSHIP BETWEEN JTPA AND ECONOMIC DEVELOPMENT

Rapid Improvement in Relationship

Indicating the up-and-coming nature of the relationship, economic development earned the "most improved status" among the four program areas studied: 65 percent of SDA administrators and 63 percent of PIC chairs report an improving trend in JTPA/economic development relationships. By comparison, other programs scored in the 30 to 50 percent range. A further indication of the growing stature of the economic development/JTPA relationship is the high number of instances (12%) in which the two local agencies are reported as located under the same roof, a circumstance that occurs twice as frequently for economic development as it does with any other program.

Overall, survey results suggest that the JTPA/economic development relationship is comparatively new and that the trailblazing is frequently accompanied by a high degree of optimism and enthusiasm. Tallying survey results cannot always capture the vitality of individual responses, and in this case the subjective factor was judged to be critically important. Survey comments often reflect the high level of enthusiasm associated with this new area of activity: "Economic development is the most exciting new area"; "we have a good relationship that keeps growing all the time"; and, "our relationship with economic development is growing by leaps and bounds."

CLOSING COMMENTS

CLOSING COMMENTS

Overall, survey results suggest that the JTPA system, as it matures, is building on past relationships with other programs in order to provide more and higher quality services to structurally unemployed individuals than in the past. This maturation of the JTPA system comes at an opportune time; nationwide, there is significant attention being focused on the very related subjects of competitiveness, literacy, education reform, welfare reform and economic adjustment. Hence, human resource programs are thrust into a highly visible and strategic position. If this gathering consensus translates into administrative action, the tide of reform could produce a more coherent approach to improving workforce skills.

More than political rhetoric, however, will be required to bring about fundamental change -- strong leadership will be required to achieve the type of program coordination and integration that was envisioned in JTPA's enabling legislation. Such coordination mandates are not mere technical details of public administration; policymakers recognized that the gap between workplace needs and workforce capabilities is widening despite the hundreds of billions of dollars spent each year on public education and the tens of billions spent on employment and training programs. More cost-effective deployment of these monies can be achieved only by synchronizing employment and training services to avoid duplication of effort, unnecessary conflicts of interest among programs, and inappropriate or inadequate referral of clients to various agencies. The increasing receptiveness of the JTPA system to working with other programs is an encouraging sign that headway is, indeed, being made toward developing a more rational and effective approach to improving the skill levels of our nation's current and future workforce.